

JUL - 3 1989

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ECS File: JPA-89-71  
Project: F-032-503/H 048904C  
Section: Nogales Primary  
Connection

LETTER OF UNDERSTANDING  
BETWEEN  
THE STATE OF ARIZONA  
AND  
SANTA CRUZ INVESTMENT  
A LIMITED PARTNERSHIP

THIS AGREEMENT is entered into 20 July, 1989,  
pursuant to Arizona Revised Statutes, Sections 11-951 through  
11-954, as amended, between the STATE OF ARIZONA, acting by and  
through its DEPARTMENT OF TRANSPORTATION (the "State") and  
SANTA CRUZ INVESTMENT, A Limited Partnership, acting by and  
through its General Partner (the "Santa Cruz").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes  
Section 28-108 to enter into this agreement and has by  
resolution, a copy of which is attached hereto and made a part  
hereof, resolved to enter into this agreement and has delegated  
to the undersigned the authority to execute this agreement on  
behalf of the State.

2. Santa Cruz is authorized to enter into this agreement  
and has by resolution, a copy of which is attached hereto and  
made a part hereof, resolved to enter into this agreement and  
has authorized the undersigned to execute this agreement on  
behalf of the Partnership.

3. Incident to the above referenced project, it is to the  
mutual benefit of Santa Cruz and State, for Santa Cruz and  
State to accomplish certain excavation for the benefit of the  
motoring public.

THEREFORE, in consideration of the mutual agreements expressed  
herein, it is agreed as follows:

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## II. SCOPE OF WORK:

### 1. Santa Cruz will:

a. Accomplish the work in accordance with the plans and specifications as furnished by Santa Cruz and approved by State, generally as herebelow described.

i. Remove hill on north side of project between Station 64+00 and Station 72+00.

ii. Fill drainage area on north side of project between Station 72+00 and Station 77+00.

iii. Partially cut hill on north side of project between Station 77+00 and Station 82+50.

iv. Regrade roadway ditch on south side of project to eliminate need for pipe extension at Station 75+00.

v. Eliminate 13,172 square feet (plus or minus) of right-of-way acquisition.

b. Complete the work no later than ninety (90) days after execution of this agreement by State

### 2. State will:

a. Accomplish approximately 29,500 cubic yards of excavation.

b. Accomplish an additional number of yards of excavation equal to \$53,215 divided by the per cubic yard bid price established by State's contract bid price.

c. Maintain roadway within State right-of-way.

## III. MISCELLANEOUS PROVISIONS

1. This agreement shall remain in force and effect until completion of said project.

2. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511.

3. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

4. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes Section 12-1518(B) and (C).

5. All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

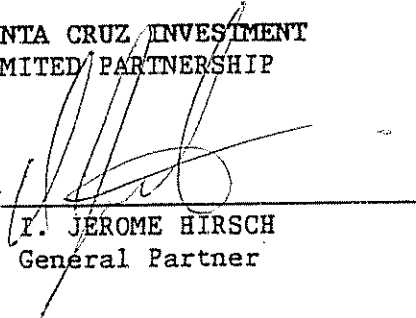
Arizona Department of Transportation  
Engineering Consultants Services  
205 South 17 Avenue, Room 118E  
Phoenix, AZ 85007

Santa Cruz Investment Limited Partnership  
an Arizona Limited Partnership  
4455 E. Camelback Road Suite 215A  
Phoenix, AZ 85018

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

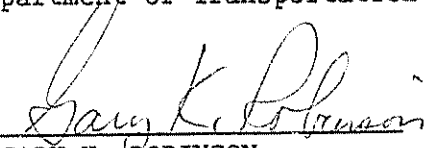
SANTA CRUZ INVESTMENT  
LIMITED PARTNERSHIP

By

  
T. JEROME HIRSCH  
General Partner

STATE OF ARIZONA  
Department of Transportation

By

  
GARY K. ROBINSON  
Chief Deputy State Engineer

1915j  
30JUN

RESOLUTION

BE IT RESOLVED on this 13th day of July 1989, that I, CHARLES L. MILLER, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Highways Division, to enter into an agreement with Santa Cruz Investments for the purpose of defining responsibilities for improvements to the Nogales Primary Connection.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted for approval and execution by the Deputy State Engineer.

A handwritten signature in cursive script, reading "Charles L. Miller", written in dark ink.

CHARLES L. MILLER, Director  
Arizona Department of  
Transportation

PARTNERSHIP RESOLUTION

SANTA CRUZ INVESTMENT LIMITED PARTNERSHIP,  
an Arizona Limited Partnership

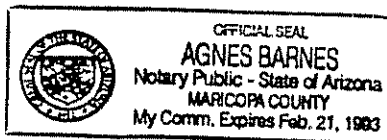
The undersigned being the sole general partner of Santa Cruz Investment Limited Partnership hereby certifies that the partnership is, in accordance with the terms of the partnership agreement, fully empowered and authorized to enter into that certain contract pertaining to Arizona Department of Transportation Project F-032-503/H Nogales Primary Connection, a copy which is attached hereto.


  
I, Jerome Hirsch  
General Partner

STATE OF ARIZONA           )  
                                      )ss  
County of Maricopa        )

On this 14th day of July, 1989, before me, the undersigned, personally appeared J. Jerome Hirsch, known to me to be the person whose name is subscribed to within instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



  
\_\_\_\_\_  
Notary Public

My commission expires:

2/21/93